

TAX CUTS

Income taxes are cut \$130 billion over five years in the bill. Parents earning up to \$110,000 will receive a \$500 per child tax credit. Capital gains taxes are reduced, retroactive to May 7, and long-term investments will receive additional benefits. Homeowners can exclude up to \$500,000 in capital gains from the sale of a principal residence. Savings are encouraged by expanding Individual Retirement Accounts (IRAs), and taxpayers will be able to make penalty-free withdrawals for education expenses or first-time home purchases. Estate taxes will be reduced, primarily for family farms and small businesses.

DRAWBACKS

Complicated tax system

One major problem with this budget is that it further complicates the tax code. It creates seven different capital gains rates, four education tax credit formulas, three kinds of tax-preferred savings accounts, and two different child tax deductions. Each provision will require more forms, separate instructions, and new income eligibility requirements. Each deduction has a worthy goal, but the cumulative effect is that tax-filing season next year will be the most complicated in a decade. My preference is to eliminate loopholes and deductions and reduce basic tax rates across-the-board.

Betting on a strong economy

Congress and the President are hoping a strong economy will carry us to balance, perhaps as early as next year. If the economy slows, the budget lacks the tough spending cuts to ensure balance. In fact, new spending and accelerating tax cuts will make it harder to balance the budget. Early figures indicate this bill will boost the deficit by \$5.7 billion by October 1. The impact of backloaded tax cuts is less than earlier proposals, but we are still left with a ticking time bomb that can only be defused by a level of fiscal discipline that has not yet been achieved in Congress.

Fairness

One of my concerns about the original House plan is that the tax relief was tilted to better-off Americans. Although the final agreement improved upon the House bill, it still makes the tax code less progressive. All sides agree that, when fully implemented, a far greater share of the tax benefits will go to citizens with high incomes. In effect, proponents of these changes argue that middle-class taxpayers were paying less than their fair share of taxes. I simply disagree.

Entitlements

Perhaps the biggest drawback of the budget agreement is the failure to address long-term entitlements. As baby boomers begin to retire in 2010, spending for federal health and retirement programs will increase dramatically. Congress and the President lost an opportunity to tackle the biggest budget challenge of the next fifty years. The bill does include a commission report on long-term Medicare changes in 1999, but it does not deal with Social Security. History will judge this agreement harshly unless we enact more reforms.

CONCLUSION

On balance, this agreement moves the country forward. It should ensure Medicare's solvency for ten years. It provides tax relief, education, and health care benefits to hard-working families. While it moves backwards on tax reform, and postpones some tough decisions, it is still likely to achieve a balanced budget. My hope is that we can build on this political and economic achievement to address the country's long-term challenges as we move into the next century.

CONGRATULATING MISS AMERICA
1997, TARA HOLLAND**HON. WILLIAM F. GOODLING**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1997

Mr. GOODLING. Mr. Speaker, I am pleased to congratulate Miss America 1997, Tara Dawn Holland on completing a most successful year of service. It has been a privilege for me to work closely with her during her year of service as she promoted literacy in America.

Breaking the cycle of illiteracy is one of the most critical issues facing our country today. Illiteracy robs individuals of economic advancement by leaving people without the skills they need to participate in the American dream. Illiteracy robs individuals of the opportunity to reach their full potential and all too often has been the legacy parents have left for their children.

During the last year, Tara traveled across the country meeting hundreds of people who have overcome this roadblock. She shared very personal experiences about how this problem touched her life and inspired all of those who heard her speak. However, she was not solely an inspirational speaker. Her knowledge and experience has allowed her to embrace this issue as a professional. She knows illiteracy is a family problem that is perpetuated over generations and is intrinsically linked to many of society's ills such as drop out, drug abuse, and crime. But Tara took her knowledge one step further by promoting ways individuals and communities can reach out to those who are unable to read.

Mr. Speaker, Tara is a dedicated crusader in this most important battle. I can't think of a better representative to lead the campaign against illiteracy. Her vibrant personality and spirit has certainly changed many, many lives.

Tara, as chairman of the House Committee on Education and the Workforce, I thank you for your dedication in bringing this issue to the forefront. My colleagues in Congress and I look forward to continuing to work with you for many more years.

TRIBUTE TO DR. PAUL SOIFER

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1997

Mr. SHERMAN. Mr. Speaker, I rise today to pay tribute to Dr. Paul Soifer upon his retirement as president of the board of directors from the West Valley Jewish Community Center and for his steadfast commitment in the Jewish community.

Paul has given selflessly to serve the West Valley Jewish Center. Shortly after Paul accepted his title as president of the board of directors our community was devastated by the Northridge Earthquake. This earthquake forced the center located on the Bernard Milken Jewish Community Campus to close and subsequently relocate to a vacant warehouse. Unfortunately, like any devastating disaster, the earthquake resulted in a huge loss of membership. Paul would have to help rebuild the center on both an emotional and physical level.

Paul rose to this challenge and exceeded all expectations. First and foremost he ensured that each and every program and service continued just as they had before the earthquake. In addition to overseeing the operations of the center, Paul did something special, he brought the Jewish Community Center Regional Maccabi Games to Los Angeles.

As head of the JCC Maccabi Youth Games Committee, Paul was instrumental in organizing more than 1,700 athletes. He secured lodging for all of the athletes and ensured the smooth functioning of the event. The games were a huge success and Paul now heads the 1997 Los Angeles Delegation of the JCC Maccabi Youth Games.

When asked to describe Paul the first thing that comes to his friends' minds is his ability to make a dream a reality. Paul has done this in more ways than one. He succeeded in rebuilding the West Valley Community Center. The center has returned to its original location on the Bernard Milken Jewish Community Campus and more than 1,200 members have returned to the spiritual warmth provided by the center. Today, the dream of a new state-of-the-art fitness center is reality in the making.

Mr. Speaker, I ask you and my distinguished colleagues to join me in honoring Dr. Paul Soifer. The Talmud says "Great is charity. It uplifts the soul." Paul is indeed charitable and has uplifted the souls of countless members in our community.

TRIBUTE TO DR. GENNARO
DIMASO**HON. DAVID E. BONIOR**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1997

Mr. BONIOR. Mr. Speaker, today I would like to honor a man who has spent over 45 years of his life compassionately caring for children. On the evening of September 23, 1997, Dr. Gennaro DiMaso will celebrate his retirement from the medical profession with friends and colleagues at the Barrister Gardens in St. Clair Shores.

While selling vegetables with his father and brother, Gennaro DiMaso dreamed of becoming a doctor. This was a dream he pursued with great determination. At age 13, young Gennaro made a deal with his father that if he did not excel in school, he would return to selling vegetables. In the St. Francis Preparatory High School annual, it was remarked that "Gennaro's great ambition is to become a doctor, and it is our guess that he will make an excellent one." After completing his undergraduate work at Columbia University, Dr. DiMaso realized his dream by earning his medical degree in pediatrics from Boston University.

After graduation from medical school, Dr. DiMaso was drafted into the U.S. Army and practiced pediatrics for 2 years in Heidelberg, Germany at the American Army Occupation Center. After returning to the United States, Dr. DiMaso joined the staff of St. John's Hospital in 1954.

Dr. DiMaso knows that trust, hope, assurance, compassion, and hugs will create a comfortable feeling in an otherwise scary situation. His humane nature never allowed him to